

## **806 KAR 9:110. Agent's rights after contract termination.**

RELATES TO: KRS 304.9-290

STATUTORY AUTHORITY: KRS 304.2-110

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110 provides that the Executive Director of the Office of Insurance may make reasonable rules and administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code. This administrative regulation sets forth the rights of property or a casualty agent who is an independent contractor after termination of an agency contract.

Section 1. No agency contract with a property or casualty agent who is an independent contractor agent compensated on a commission basis shall, except as provided in Section 2 of this administrative regulation, infringe upon the right of the agent, while licensed, to service run-off business after termination of the agency contract; nor shall it contain any provision which prevents the agent from being licensed with another insurer in order to avoid policy lapses which would otherwise occur after such termination.

Section 2. Nothing herein is intended to infringe upon a company's contract with an agent or agency which provides that ownership of renewals and records, manuals, documents, and right of renewals is the property of the company and is to be returned to the company upon cancellation and/or termination of the contract. (I-9.15; 1 Ky.R. 862; eff. 5-14-75; TAm eff. 8-9-2007.)